

Board Meeting Minutes
May 1, 2018

Present via teleconference were:

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| Doug La Follette, Commissioner | Secretary of State |
| Matt Adamczyk, Commissioner | State Treasurer |
| Brad Schimel, Board Chair | Attorney General |
| Jonathan Barry, Executive Secretary | Board of Commissioners of Public Lands |
| Tom German, Deputy Secretary | Board of Commissioners of Public Lands |
| Vicki Halverson, Office Manager | Board of Commissioners of Public Lands |
| Richard Sneider, Chief Investment Officer | Board of Commissioners of Public Lands |
| Zach Ramirez | Legislative Council |
| Rachel Snyder | Legislative Council |
| Nick Krueger | Rep. Katsma’s Office |

ITEM 1. CALL TO ORDER

Board Chair Schimel called the meeting to order at 2:04 p.m.

ITEM 2. APPROVE MINUTES – APRIL 17, 2018

MOTION: Board Chair Schimel moved to approve the minutes; Commissioner La Follette seconded the motion.

DISCUSSION: None.

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

Executive Secretary Barry reported that the loans had been reviewed for proper public purpose.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Beloit Rock County Application #: 02018138 Purpose: Construct public works building	Town Rate: 3.50% Term: 2 years	General Obligation	\$4,707,511.00
2. Calamus Dodge County Application #: 02018140 Purpose: Purchase snowplow truck	Town Rate: 3.75% Term: 5 years	General Obligation	\$118,000.00
3. Fox Lake Dodge County Application #: 02018136 Purpose: Refinance bonds dated 9/23/2008	City Rate: 4.00% Term: 10 years	General Obligation	\$316,500.00
4. Rochester Racine County Application #: 02018137 Purpose: Purchase defibrillators	Village Rate: 4.00% Term: 10 years	General Obligation	\$63,750.00

5.	Wyoming Iowa County Application #: 02018139 Purpose: Purchase tractor and accessories	Town Rate: 4.00% Term: 2 years	General Obligation	\$50,000.00
TOTAL				\$5,255,761.00

MOTION: Board Chair Schimel moved to approve the loans; Commissioner La Follette seconded the motion.

DISCUSSION: Commissioner La Follette asked if staff could explain the lack of school district borrowing from the State Trust Fund Loan program. Deputy Secretary German replied that the bond market is typically used to finance school products due to the tax exempt nature of the borrowing.

VOTE: The motion passed 2-1. Commissioner La Follette and Board Chair Schimel voted aye; Commissioner Adamczyk voted no.

ITEM 4. FUTURE AGENDA ITEMS

None.

ITEM 5. EXECUTIVE SECRETARY’S REPORT

Executive Secretary Barry informed the Commissioners that staff from the Legislative Council and a representative from Rep. Terry Katsma’s office were present for the meeting. He reported that they are gathering information on the Board’s operations and the issues related to the scope of study for the proposed Legislative Council Study Committee, which will review statutes governing the Board’s Trust Fund investments.

Commissioner La Follette asked if members have been appointed to the study committee. Mr. Ramirez replied that Rep. Katsma, and Sen. Lena Taylor have been appointed as chair and co-chair, respectively. If a member of the public is interested in being appointed to the committee, a statement of interest and resume should be sent to the Legislative Council office, Rep. Katsma’s office, or Sen. Taylor’s office. The chairs of the Joint Legislative Council then review the information submitted and provide a recommended membership list to the entire Joint Legislative Council for a vote.

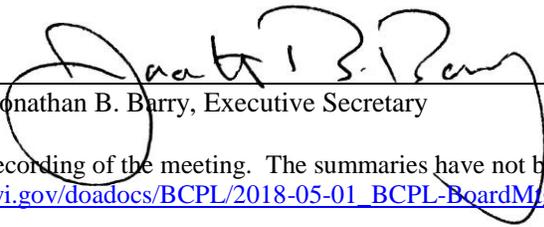
Commissioner La Follette expressed concern that those entities who benefit from the programs BCPL administers (i.e., public school libraries, municipalities, school districts, etc.) have representation on the study committee. Mr. Ramirez directed that those parties follow the process outlined on the Legislative Council’s website. In addition, individuals could also be recommended.

Mr. Ramirez said that the co-chairs would be meeting on May 9 to begin the process of reviewing applications. The co-chairs would then determine the timeline for the study committee. Board Chair Schimel reported that he had received a letter of interest from the WI Educational Media and Technology Association (WEMTA). Executive Secretary Barry confirmed that WEMTA had also submitted their letter of interest to the co-chairs of the study committee. In addition, the Towns Association and League of WI Municipalities will be or already have submitted letters of interest.

Executive Secretary Barry referred the Board to the investment transaction report that was included in the board meeting packet. Staff sold a TIP bond two days after it was purchased to realize a profit of over \$106,000, which will be added to the Common School Fund earnings for distribution in 2019. Approximately 4.5%, or \$50 million, of the Common School Fund is currently invested in the lower yielding but liquid State of Wisconsin Investment Fund earning today about 1.74%. The reason for maintaining this liquidity is to be positioned to meet some anticipated near-term investment opportunities/commitments. Staff tracks present and projected fund cash positions closely and, for example, is currently projecting a low of \$9 million in August 2018.

ITEM 6. ADJOURN

The meeting adjourned at approximately 2:16 p.m.


Jonathan B. Barry, Executive Secretary

These minutes have been prepared from a recording of the meeting. The summaries have not been transcribed verbatim.
Link to audio recording: ftp://doafpt1380.wi.gov/doadocs/BCPL/2018-05-01_BCPL-BoardMtgRecording.mp3.